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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/828,616	04/06/2001	J. Robert Hitchings	P/2167-229	5849
32172	7590	01/03/2007	EXAMINER	
DICKSTEIN SHAPIRO LLP			FELTEN, DANIEL S	
1177 AVENUE OF THE AMERICAS (6TH AVENUE)			ART UNIT	PAPER NUMBER
NEW YORK, NY 10036-2714			3693	
SHORTENED STATUTORY PERIOD OF RESPONSE	MAIL DATE	DELIVERY MODE		
3 MONTHS	01/03/2007	PAPER		

Please find below and/or attached an Office communication concerning this application or proceeding.

If NO period for reply is specified above, the maximum statutory period will apply and will expire 6 MONTHS from the mailing date of this communication.

<b>Office Action Summary</b>	<b>Application No.</b>	<b>Applicant(s)</b>	
	09/828,616	HITCHINGS ET AL.	
	<b>Examiner</b>	<b>Art Unit</b>	
	Daniel S. Felten	3693	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

#### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

#### Status

- 1) Responsive to communication(s) filed on 4/06/2001.
- 2a) This action is FINAL.                    2b) This action is non-final.
- 3) Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

#### Disposition of Claims

- 4) Claim(s) 1-37 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) Claim(s) \_\_\_\_\_ is/are allowed.
- 6) Claim(s) 1-37 is/are rejected.
- 7) Claim(s) \_\_\_\_\_ is/are objected to.
- 8) Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

#### Application Papers

- 9) The specification is objected to by the Examiner.
- 10) The drawing(s) filed on \_\_\_\_\_ is/are: a) accepted or b) objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

#### Priority under 35 U.S.C. § 119

- 12) Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) All    b) Some \* c) None of:
  1. Certified copies of the priority documents have been received.
  2. Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

#### Attachment(s)

- |  |   |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)          | 4) <input type="checkbox"/> Interview Summary (PTO-413)           |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date: _____                                      |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)          | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date: _____   | 6) <input type="checkbox"/> Other: _____                          |

## DETAILED ACTION

### *Oath/Declaration*

The full name of each inventor (family name and at least one given name together with any initial) has not been set forth.

### *Claim Rejections - 35 USC § 102*

1. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

2. Claims 1-3, 5-14, 16-19, 21-23, 27-37 are rejected under 35 U.S.C. 102(b) as being anticipated by Himmelstein (US 7,080,050)

Himmelstein discloses a system for managing like kind exchange (see column 1, lines 14-35; and column 4, lines 46-52), comprising:

--a database (116 or (117) containing information related to sets of assets (see column 2, lines 51-35; and fig. 1, column 5, lines 26-35), *as in claims 1, 2, 3*

Each of said sets of assets including at least one asset apiece (see column 6, lines 53-60),  
*in claims 1, 2, 3*

--a processing engine coupled to said database and being operable to identify a first set of assets eligible for a like kind exchange based on said information (see fig. 1, column 5, lines 26-35; and column 6, lines 60-65), *as in claims 1, 2, 3*

Said processing engine being further operable to identify a second set of assets eligible for combination with said first set of assets to produce particular like kind exchange combinations (see column 6, lines 60 to column 7, lines 10); and *as in claims 1, 2, 3*

A set of parameters specifying criteria for use by said processing engine to produce particular like kind exchange combinations (see column 5, lines 55-64; and column 6, line 60 to column 7, lines 10), *as in claims 1, 2, 3*

--a reporting engine coupled to said processing engine and operable to produce reports to said system (see "displaying orders," column 6, lines 62-65; and column 7, lines 35-61), *as in claim 2*

--a communication mechanism coupled with said system and effective to permit notification to an entity capable of conducting a like kind exchange about said eligible combination (see column 6, lines 62-65; and column 4, line 46 to column 5, line 25), *as in claim 3*

said communication mechanism being further effective to permit information feedback to said system related to at least one like kind exchange executed by said entity (see column 4, line 46 to column 5, line 25), *as in claim 3*

--wherein said entity is a qualified intermediary (see column 7, lines 16-21; and column 7, lines 65 to column 8, line 8; and column 8, lines 48-57), *as in claim 5*

--wherein said communication mechanism in an electronic communication medium, whereby said notification can be provided automatically through said electronic communication medium, (see claim 3), *as in claim 6*

--wherein said information related to said sets of assets includes data related to at least one of acquired assets and relinquished assets (see figs. 7A-E, column 18, lines 24 to column 19 line 40), *as in claim 7*

--wherein a combination of said acquired assets and said relinquished assets produce said like kind exchange combination pursuant to a regulatory code (see column 4, lines 28-31), *as in claim 8*

--wherein said communication mechanism is operable to provide instruction details related said like kind exchange to a financing institution (see claim 7), *as in claim 9*

--wherein said instruction details inform said financing institution on funding for acquired assets and usage for escrow for proceeds from the disposition of relinquished assets (see column 20, lines 52-55), *as in claim 10*

--wherein said communication mechanism is an electronic communication medium, whereby said instruction details can be provided automatically through said electronic communication medium (see column 1) *as in claim 11*

further comprising an accounting module operable to track accounting information and reconcile account information (see column 19, line 41 to column 20, line 4), *as in claim 12*

--wherein said accounting module is coupled to said reporting engine and said reporting engine is operable accounting reports(see column 6, lines 62-65; and column 7, lines 35-61), *as in claim 13*

--wherein said reporting engine is further operable to provide information usable for completing at least one regulatory filings and forms (see colun 20 lines 55-64), *as in claim 14*

Re Claims 16, 31-33, 35-37: A method for conducting a like kind exchange, comprising:

Art Unit: 3693

--identifying assets in a database eligible for a like kind exchange (see fig. 1, column 5, lines 26-35; and column 6, lines 60-65);

--matching said identified assets to achieve a combination of assets to participate in a like kind exchange (see column 6, lines 60 to column 7, lines 10);

--providing specifics of said matched assets to an entity capable of conducting a like kind exchange (see column 6, lines 60 to column 7, lines 10) and

--receiving from said entity information related to like kind exchanges (see column 7, lines 16-21; and column 7, lines 65 to column 8, line 8; and column 8, lines 48-57),

--generating a funding instruction file (see column 2, lines 55-58), *as in claim 17*

--generating a transaction summary file, (see column 2, lines 55-58), *as in claim 17*

--transmitting said funding instruction file and said transaction summary file to said entity, *as in claim 17*

--further comprising communicating with said entity over an electronic medium whereby said files are transmitted electronically (see claim 1), *as in claim 18*

--wherein said entity is a qualified intermediary (see column 7, lines 16-21; and column 7, lines 65 to column 8, line 8; and column 8, lines 48-57), *as in claim 19*

--generating a transaction detail file; and

--transmitting said transaction detail file to trustee bank, *as in claim 20*

--further comprising communicating with said entity over an electronic medium, whereby said files are transmitted electronically (see claim 1), *as in claim 21*

--wherein said matched assets include relinquished leased assets and newly acquired assets, (see claim 7), *as in claim 22*

--locating specific assets within said database based on parameter settings (see column 6, line 53 to column 7, line 15);

--Combining said assets to form like kind exchange combinations comprised of relinquished assets and newly acquired assets; and performing said like kind exchange based on value of said parameter settings (see column 6, line 53 to column 7, line 15; and column 18, line 24 to column 19, line 40), *as in claim 23*

--wherein the parameter settings can be set by an asset owner (see column 6, lines 53+),  
*as in claim 25*

--determining an asset tax basis for said newly acquired assets (see column 2, lines 51-64; and column 4, lines 27-45), *as in claim 27*

--determining an asset tax basis gain for said relinquished leased assets, and

--adjusting said tax basis based on said tax basis gain for assets involved in a like kind exchange, (see column 2, lines 51-64; and column 4, lines 27-45), *as in claim 28,*

--recording a result of said reconciliation, *as in claim 29*

--observing discrepancies in said reconciliation result; and

--taking appropriate measures to overcome and discrepancies.

***Claim Rejections - 35 USC § 103***

3. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

4. The factual inquiries set forth in *Graham v. John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966), that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:

1. Determining the scope and contents of the prior art.
2. Ascertaining the differences between the prior art and the claims at issue.
3. Resolving the level of ordinary skill in the pertinent art.
4. Considering objective evidence present in the application indicating obviousness or nonobviousness.

5. This application currently names joint inventors. In considering patentability of the claims under 35 U.S.C. 103(a), the examiner presumes that the subject matter of the various claims was commonly owned at the time any inventions covered therein were made absent any evidence to the contrary. Applicant is advised of the obligation under 37 CFR 1.56 to point out the inventor and invention dates of each claim that was not commonly owned at the time a later invention was made in order for the examiner to consider the applicability of 35 U.S.C. 103(c) and potential 35 U.S.C. 102(e), (f) or (g) prior art under 35 U.S.C. 103(a).

6. Claims 4, 15, 24 and 26 rejected under 35 U.S.C. 103(a) as being unpatentable over Himmelstein (US 7,080,050)

Re claim 4: Himmelstein shows an electronic barter system that barters items/assets and or securities (see column, lines 14-36), but fails to disclose that the assets are automotive

vehicles. It would have been an obvious extension of the invention of Himmelstein to provide automobiles as items because an artisan would have recognized the fact that the automobiles are art also commodities that may be used by the invention to be bartered. Thus such a modification would be an obvious expedient to one of ordinary skill in the art.

Re claims 15, 24 and 26: Himmelstein fails to disclose wherein said set of parameters include at least one of a time setting, a comparison tolerance setting, an override setting and an asset setting. However, since the parameters in Himmelstein do have to various aforementioned criteria (see column 6, lines 53 to column 7, line 15). Thus it would have been obvious for an artisan to recognize that the criteria mentioned would sought to use the aforementioned settings to barter items. Thus items would have been an obvious expedient well within the ordinary skill of the art.

### ***Conclusion***

7. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

#### **US Patents:**

Ferstenberg et al (US 5,873,071) computer method and system for intermediated exchange of commodities

Broka et al (US 5,809,483) online transaction processing system for bond trading

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Daniel S. Felten whose telephone number is (571) 272-6742. The examiner can normally be reached on Flex.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James Trammell can be reached on (571) 272-66712. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

Daniel S Felten  
Examiner  
Art Unit 3693



DSF  
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